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X. Thematic Discussions: Keynote address and Case Studies Presentation around the theme "The Role of TCDC in accelerating growth and equitable development through broad-based partnerships"

The first part of this session was conducted as an informal meeting for the keynote address which was delivered by Sir Shridath Ramphal, former Secretary General of the Commonwealth and current Chief Negotiator of CARICOM for international economic negotiations with Europe and the Americas. Sir Shridath recalled the formative years of TCDC beginning in 1972, and provided compelling reasons why the South needed to act together with commitment to reach collective positions in its negotiations with the North. He observed that such a posture is imperative to ensure a level "playing-field" given the reality of economic marginalization of many developing countries at the dawn of the new millennium. He stressed the need for increased collaboration among developing countries and appropriate institutional arrangements for equitable and sustainable development of the South. In this regard he suggested the establishment of an OECD-type entity for the South that would pool the best technical talents of the South and act as a centre for the transfer of knowledge to effectively engage in global negotiations for the benefits of all countries. Only on this basis would the South be able to secure the necessary economic space for effective integration in the globalized world.

He made a forceful case for South-South cooperation saying that the South needed economic "space" in the coming century. Specifically, the South needed "space to grow and prosper, space to survive with dignity, space to develop the talents of their people". He noted that the twentieth century had seen a remarkable flowering of human genius and the growth of economic prosperity, but at the same time, we have witnessed great disparities in this globalized world.

Regarding the role of State in the coming century, Sir Shridath noted that while the State would clearly continue to be the primary actor, there would be an increasingly important part for other essential actors such as non-governmental organizations and civil society, a pattern already evidenced in developed countries. He noted that regional groupings, rather than fragmenting the South, were essential stepping stones in unifying and strengthening the regions to facilitate greater interregional and global integration. In terms of the increased role of services in the structure of the global economy, he observed that there was enormous development potential and developing countries must secure their place in this growing area.

The formal meeting resumed in plenary for the second part of the thematic discussions related to the case study presentations. The meeting agreed to the President's proposal to incorporate the highlights of the discussions of the keynote address in the official records of the High-level Committee. Following through on the broad themes of accelerated growth and equitable development through broad-based partnerships, the following four case studies were presented:

(i) Collaboration among Small and Medium-scale Enterprises in Stimulating Growth and Reducing Poverty in Developing Countries - the Indian Experience in Promoting TCDC;

(ii) Promoting Trade and Investments in the Southern Common Market (MERCOSUR) Region;

(iii) Reducing the Impact of HIV/AIDS on Development Prospects - Ugandan/TASO Experience with others;

(iv) Cooperation among Small Island Developing States (SIDS) in the South Pacific in the Area of Marine Biodiversity - an Overview of some of the Initiatives in the South Pacific Region;

(a) Collaboration among Small and Medium-scale Enterprises in Stimulating Growth and Reducing Poverty in Developing Countries. This case study highlights the lessons of India's involvement in small-scale industries on an interregional basis with other developing countries. The National Small Scale Industries Corporation (NSIC) of India has extensive experience spanning two decades in providing technical assistance for development of small and medium-scale enterprises in developing countries in Asia, Latin America and particularly in Africa. Small-scale industries (SSI) are one of the most dynamic sectors in the economy of India and account for a significant share of industrial production and exports. The SSI potential for employment-generation together with low investment requirements and high utilization of local raw materials, is a major contributor to industrial growth and poverty reduction in developing countries. SSI contributes approximately 40 per cent of the total industrial production and 35 per cent of the total export of India. The case study focused on SSI's assistance in the development of small-scale enterprises in 5 African countries - Kenya, Ethiopia, Mali, Namibia and Nigeria - which took the form of study tours, assessments for SSI development, training in skill upgrades and entrepreneurship development, operationally linking ECDC/TCDC. SME development involved broad-based partnerships of the public and private sectors.

Partnerships include Indian commercial banks for funding machinery and equipment. Technology exhibitions are organized to facilitate technology transfer and knowledge dissemination. Participating African countries are exposed to the Indian technical expertise and entrepreneurs through expositions, following which the displayed technologies are transferred to local entrepreneurs who have been trained in their operation. The SSI experience also utilizes triangular cooperation involving financial assistance from such sources as IFAD (International Fund for Agricultural Development). More than 165 SSI projects totalling US$ 18 million have been exported to 18 countries in Africa and 6 in Asia. Most of them have reported profitable operations.

(b) Promoting Trade and Investments in the Southern Common Market (MERCOSUR) Region. This case study encompasses four countries of the Southern Cone of Latin America - Argentina, Brazil, Paraguay and Uruguay. As an undertaking in subregional economic cooperation, its performance in trade and investment flows has exceeded expectations. The Treaty of Asuncion provided a framework for regional cooperation combining well-defined targets (for tariff cuts, for example) with a broad strategic orientation. Between 1991-1998 the rate of export growth among the participating countries tripled. Thus trade growth stimulated intraregional investment with significant secondary effects that dynamized economic activity in the MERCOSUR Region. For example, parallel to the process of economic integration was the development of national technical capacities through economic/technical cooperation among member developing countries. Most of this cooperation took place within the context of technical negotiations among working parties which resulted in sharing of knowledge, facilities and resources by the MERCOSUR member States, contributing to human resource development in a wide array of public sector agencies. A vast number of public sector officials were exposed to in-the-field training in international negotiations which enabled upgrading of skills in preparation of draft resolution proposals, analysis/interpretation of member country domestic trade regulations and an understanding of the impact on foreign trade of domestic policy decisions. Participation in MERCOSUR has also created demand for more effective inter-agency coordination within each national administration and has also demonstrated the value of triangular technical cooperation especially at the negotiating and implementation stages of projects.

(c) The case study on Reducing the Impact of HIV/AIDS on Development - the Uganda/TASO Experience - highlighted the health and development nexus. AIDS is the single greatest threat to global development which could obliterate the gains made in development. Uganda's response to the HIV/AIDS epidemic reflected a multi-faceted and integrated strategy addressing medical, social and economic factors. The key components of Uganda's successful fight against AIDS include political leadership, community empowerment as well as collaboration with civil society and mobilization of the private sector and non-governmental organizations such as TASO (The AIDS Support Organization). HIV programmes in sub-Sahara Africa are utilizing the TCDC modality in programme implementation and advocacy. As a non-governmental organization, TASO collaborates in demonstrating best practices in HIV/AIDS care and prevention, expanding the response to AIDS by strengthening partnerships with institutions in other developing countries, creating technical resource networks of excellence and expertise to respond within a TCDC framework to needs at national and regional levels. The epidemic is a major creator of poverty, causing incomes to drop

over 60 per cent in some affected areas with school drop-out rates as high as 50 per cent. The growing number of orphans - currently estimated at 8 million and growing - due to HIV/AIDS has become a critical problem that merits immediate attention of the international community which should focus on supporting national efforts to combat the epidemic.

(d) The case study on the cooperation among small island developing States in the South Pacific focuses on inter-island cooperation among the 22 member States in marine bio-diversity through such regional institutions as the South Pacific Commission, South Pacific Environment Programme (SPREP), Forum Fisheries Agency and the University of the South Pacific. These countries, members of the South Pacific Community, share extensive marine resources which represent the main opportunities for their economic development. Major initiatives such as marine bio-diversity are more cost-effectively implemented on a regional basis, particularly as they respond to the various international conventions on the environment. The use of regional facilities for training, research, support for policy-making, resource use and management have enabled the countries of the Region to more effectively network and learn from each other in formulating and implementing the various initiatives. The University of the South Pacific Marine Studies Programme is addressing human resource development needs, training 10,000 people a year; through the Forum Fisheries Agency the countries of the South Pacific are managing their tuna resources. There are challenges in successfully coordinating inter-country cooperation in a region as large and diverse as the South Pacific where economies are small and institutional capacities vary. Funding constraints are considerable since external resource and member country budgets are limited. It is worth noting that the regional cooperative arrangements are characterized by broad-based partnerships, utilizing triangular arrangements with financial support from the donor community. This case study provides a good model for regional cooperation and collaboration based on economic needs, common goals, the peaceful use of ocean resources and the management of the marine environment.